

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF PENNSYLVANIA

**PRE-TRIAL MEMORANDUM OF PLAINTIFF GRACE LAWRENCE**

Plaintiff Grace Lawrence, by and through her undersigned counsel, submits this Pre-Trial Memorandum in accordance with the Court's March 21, 2003 Scheduling Order and Local Rule 16.1(c).

## **I. NATURE OF THE ACTION AND JURISDICTION**

This is an action for actual, statutory and punitive damages<sup>1</sup> brought by an individual consumer, Plaintiff Grace Lawrence, against the Defendants Trans Union, LLC (“Trans Union”) for violations of the Fair Credit Reporting Act (hereafter the “FCRA”), 15 U.S.C. §§ 1681 *et seq.*, *as amended*, and various other state laws.<sup>2</sup>

Jurisdiction of this Court arises under 15 U.S.C. § 1681p, 28 U.S.C. § 1331, 1337, and supplemental jurisdiction exists for the state law claims pursuant to 28 U.S.C. § 1337.

<sup>1</sup> Plaintiff also seeks recovery of attorneys' fees and expenses pursuant to the FCRA's fee shifting provision, 15 U.S.C. §§ 1681n, o.

<sup>2</sup> Defendant City of Philadelphia was previously dismissed from this matter.

## II. **STATEMENT OF FACTS**

In 1996, Ms. Lawrence won a small claims lawsuit in the Municipal Court of Philadelphia and had a judgment entered in her favor in the amount of \$2,951.<sup>3</sup> Despite prevailing in that action, at some point thereafter Defendant Trans Union, one of the national credit reporting agencies, began reporting this court record as a judgment against Ms. Lawrence. Ms. Lawrence had an otherwise excellent credit history; and this \$2,951 judgment was the only derogatory account or information on her credit report.

Ms. Lawrence first learned about this derogatory judgment being reported against her when Sallie Mae and Key Bank denied her application for college loans for her daughter's education in 1997. Since that time, Ms. Lawrence has repeatedly disputed the inaccurate information with Defendant on multiple occasions including but not limited to: August of 1997, November 1997, December 1997 and February 2001. Further, Ms. Lawrence provided documentation to Trans Union, including the actual court docket that she obtained from the Philadelphia Municipal Court, demonstrating the gross error. Notwithstanding this, Trans Union continued to report the judgment on Ms. Lawrence's credit report.

Several times since 1997, Trans Union deleted the \$2,951 judgment from Ms. Lawrence's credit report, only to re-insert the same judgment a short time later. Indeed, Trans Union failed to remove this false judgment from Ms. Lawrence's credit report until after she initiated this action in July 2002 at the advice of counsel. In all, the \$2,951 judgment was reported against Ms. Lawrence for approximately six years. To make a bad matter worse, Trans Union falsely continued to inform Ms. Lawrence that it had contacted the Philadelphia Municipal

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<sup>3</sup> An individual named Thomas Frommer with whom Ms. Lawrence shared a car initiated the 1996 lawsuit in the Municipal Court of Philadelphia, docket number 11080, against Ms. Lawrence. Ms. Lawrence counterclaimed. Ms. Lawrence prevailed in the action against Mr. Frommer and won a \$2,951 judgment on her counterclaim.

Court Records Department and that it had verified the judgments was entered against Ms. Lawrence. In fact, deposition testimony revealed that Trans Union never contacted the Municipal Court and that it was not aware as of just a few weeks ago whether anyone contacted the Municipal Court. Certified court records obtained during discovery in this matter leave no doubt that the Municipal Court had accurately entered the judgment in favor of Ms. Lawrence, and not against her.

### **III. DAMAGES**

#### **A. Financial Losses/Harm To Credit**

As a result of the damaging and derogatory open judgment that Trans Union reported about her, and her consequently blighted credit reputation, Ms. Lawrence has been damaged in multiple ways. First, but not foremost, Ms. Lawrence has been outright denied various credit since 1997. Ms. Lawrence has been burdened with higher interest rates on her mortgage, car loan and credit cards than she should have had as a consumer with an excellent credit history. She has lost the opportunity to use funds, such as student loans and other credit, for herself and her family as well as to refinance and/or consolidate loans at lower interest rates.

#### **B. Dignitary Harm and Emotional Distress**

Additionally, Ms. Lawrence has been defamed by the publication and dissemination of this false, derogatory information to other persons and entities, including virtually every credit grantor who has considered providing credit to her. Ms. Lawrence has also suffered great emotional distress, frustration, anxiety, and related symptoms, as well as great humiliation and embarrassment from falsely being identified for a period of approximately six years as an individual with an unpaid judgment on her record. Indeed, Ms. Lawrence has an excellent credit history but for this single, false, and derogatory entry in her Trans Union credit report. Finally,

Ms. Lawrence has incurred out-of-pocket expenses including, but not limited to, time lost from work, local or long distance telephone calls, parking, postage, faxing and other related costs.

These damages suffered by Ms. Lawrence are well recognized as cognizable under the FCRA. The range of awards for such cases are as follows: See Boris v. Choicepoint Servs., Inc., WL 1255891 (W.D. Ky. March 14, 2003) (\$100,000 in emotional distress damages verdict upheld as appropriate under FCRA upon defendant credit reporting agency's post-trial motion); Thomas v. Trans Union, (D. Or. 2002) (\$300,000 in compensatory damages for emotional distress and \$5 million for punitive damages, remitted to \$1 million); Johnson v. MBNA (D. Virginia 2002) (jury award of \$90,300 for emotional distress and damage to reputation sustained against credit furnisher MBNA for negligent investigation of consumer's dispute in violation of FCRA section 1681s02(b); Jorgenson v. TRW, Inc., C.A. No. 96-286 (D. Or. 1998) (jury awarding plaintiff \$600,000 for compensatory damages for credit rating damage and emotional distress); Anderson v. Conwood Co., 34 F. Supp. 2d 650 (W.D. Tenn. 1999) (\$50,000 in actual damages awarded in absence of testimony other than worry, stress and anxiety); Milgram v. Advanced Cellular Systems, Inc., 1990 WL 116322 (E.D. Pa. 1990) (jury award of \$20,000 for credit damage, \$20,224 in attorney's fees); Stevenson v. TRW, 987 F.2d 288 (5<sup>th</sup> Cir. 1993) (\$30,000 in mental anguish and embarrassment damages, plus \$20,700 in attorney's fees); Collins v. Retail Credit Co., 410 F. Supp. 924 (E.D. Mich. 1976) (\$21,750 for loss of reputation, embarrassment, in recognition of the "many subtle and indirect adverse effects upon a personal, social and economic life", (\$50,000 in punitive damages and \$21,000 in attorney's fees); Bryant v. TRW Inc., 689 F.2d 72 (6<sup>th</sup> Cir. 1982) (\$8,000 for embarrassment and humiliation, attorney's fees \$13,705); Jones v. Credit Bureau of Huntington, Inc., 399 S.E.2d 694 (W. Va. 1990) (jury award of \$4,000 compensatory, \$42,500 punitive upheld); Thompson v. San Antonio Retail

Merchants Ass'n, 682 F.2d 509 (5<sup>th</sup> Cir. 1982) (\$10,000 actual damages for humiliation and mental distress even when no out-of-pocket expenses); Pinner v. Schmidt, 617 F. Supp. 342 (E.D. La. 1985) (\$25,000 in actual damages for negligent credit violations); Trans Union Corp. v. Crisp, 896 S.W.2d 446 (Ark. App. 1995) (\$15,000 in actual damages, \$25,000 in punitive damages in a case involving reports which did not show that debts had been satisfied); Thompson (\$10,000 for three credit denials); Thorton v. Equifax Inc., 467 F. Supp. 1008 (E.D. Ark. 1979) (\$5,000 compensatory and \$250,000 in punitive damages); Phillips v. David McDermott Chevrolet, Inc., 1992 WL 67374 (Conn. Super. 1992) (\$5,000 for credit rating damage); see also Dalton v. Capital Assoc. Indus., 257 F.3d 409 (4<sup>th</sup> Cir. 2001) (damages for loss of reputation are available under FCRA); Guimond v. Trans Union, 45 F.3d 1329 (9<sup>th</sup> Cir. 1995) (humiliation and mental distress damages available under FCRA); Morris v. Credit Bureau of Cincinnati, 563 F. Supp. 962 (S.D. Ohio 1983) (nervousness, irritation and loss of sleep compensable under FCRA.). In FCRA cases, such damages do not require expert medical testimony. See Boris, 2003 WL 1255891 \*5-7; see also Guimond, 45 F.3d at 1333.

#### IV. WITNESSES

Grace Lawrence  
484 Redbud Ct.  
Warrington, PA 18976

Liability and Damages

Anna Lawrence  
484 Redbud Ct.  
Warrington, PA 18976

Liability and Damages

Donna Stout  
Chase Manhattan  
Delaware or New York

Liability and Damages

Eileen Little  
Trans Union, LLC  
1510 Chester Pike  
Crum Lynne, PA 19022

Liability and Damages

William Stockdale  
Trans Union, LLC  
555 West Adams  
Chicago, IL 60661

Liability and Damages

Former Trans Union Operator C5186  
Trans Union, LLC  
1510 Chester Pike  
Crum Lynne, PA 19022

Liability

Lorraine M. Ruiz  
City of Philadelphia  
34 S. 11<sup>th</sup> Street, Room 580  
Philadelphia, PA 19107

Liability

Corporate Representatives of:  
Superior Information Systems  
P.O. Box 8787  
Trenton, NJ 08650-0787

Liability and Damages

First Union National Bank  
P.O. Box 13327  
Roanoke, VA 24040-0001

Damages

City of Philadelphia  
1515 Arch Street  
14<sup>th</sup> Floor  
Philadelphia, PA 19102

Liability and Damages

**V. EXHIBITS**

- P1 Ms. Lawrence's Trans Union Consumer Disclosure dated 7/29/97
- P2 Ms. Lawrence's Trans Union Consumer Disclosure dated 1/25/01
- P3 Ms. Lawrence's Trans Union Consumer Disclosure dated 6/24/02
- P4 Ms. Lawrence's Trans Union Consumer Disclosure dated 1/9/03
- P5 Correspondence from Trans Union to Ms. Lawrence dated 8/18/97
- P6 Correspondence from Trans Union to Ms. Lawrence dated 12/19/97
- P7 Ms. Lawrence's Trans Union Reinvestigation Report dated 9/16/97
- P8 Ms. Lawrence's Trans Union Reinvestigation Report dated 11/12/97
- P9 Ms. Lawrence's Trans Union Reinvestigation Report dated 1/20/98
- P10 Ms. Lawrence's Trans Union Reinvestigation Report dated 1/23/98
- P11 Ms. Lawrence's Trans Union Reinvestigation Report dated 3/26/01
- P12 Ms. Lawrence's Written Dispute to Trans Union dated 12/15/97

P13 Ms. Lawrence's Written Dispute to Trans Union dated 2/18/01  
 P14 Credit Card Denial Letter to Ms. Lawrence from Chase Manhattan dated 8/2/01  
 P15 Loan Denial Letter to Ms. Lawrence from Sallie Mae dated 8/19/97  
 P16 Loan Denial Letter to Ms. Lawrence from Key Bank dated 7/16/97  
 P17 Loan Denial Letter to Anna Lawrence from Key Bank dated 7/16/97  
 P18 Thompson Toyota/Beneficial Savings Bank Automobile Retail Installment Contract dated 7/17/99  
 P19 Page seven of First American Credco Tri-Merge Report  
 P20 American drew/Wells Fargo Finance Statement bearing 2/10/02 billing date  
 P21 Trans Union Customer Relations System Documents produced by Defendant  
 P22 Subpoenaed Documents received from Chase Manhattan  
 P23 Certified Records from Philadelphia Municipal Court in Frommer v. Lawrence, Claim No. sc 96-06-11-1080  
 P24 Disposition of Case in Frommer v. Lawrence, Claim No. sc 96-06-11-1080  
 Obtained by Ms. Lawrence from Philadelphia Municipal Court  
 P25 Service Contract Between Trans Union and Superior Information Services dated 8/11/99  
 P26 Deposition Transcript of Grace Lawrence  
 P27 Deposition Transcript of Donna Stout  
 P28 Deposition Transcript of William Stockdale  
 P29 Deposition Transcript of Eileen Little  
 P30 Deposition Transcript of Superior Information Services Corporate Representative  
 P31 Deposition Transcript of Former Trans Union Operator C5186  
 P32 Deposition Transcript of William Stockdale in Evantash v. Trans Union, Civ. No. 02-1188 (E.D. Pa.)  
 P33 Deposition Transcript of Eileen Little in Evantash v. Trans Union, Civ. No. 02-1188 (E.D. Pa.)  
 P34 Deposition Transcript of Eileen Little in Williams v. Trans Union, Civ. No. 02-2754 (E.D. Pa.)

Additionally, Plaintiff reserves the right to also rely upon and enter into evidence any exhibits identified by Defendant.

## **VI. TRIAL TIME**

Plaintiff estimates that the entire trial should last no longer than three (3) days.

## **VII. SPECIAL ISSUES**

Plaintiff intends to present certain demonstrative evidence at trial using software such as PowerPoint with a projector and/or overhead screen. Plaintiff would desire to coordinate such presentation with court staff and/or to use court equipment, and respectfully request direction from the Court as to how to set up such projector and/or overhead screen presentation. Plaintiff

would agree to stipulate as to the authenticity and admissibility the certified court records obtain from the City of Philadelphia during discovery, the court docket disposition in Frommer v. Lawrence obtained by Plaintiff from the Philadelphia Municipal Court, the consumer reports and reinvestigation reports from Trans Union and correspondence sent to Plaintiff from Trans Union, as well as the ECOA denial letter from Chase Manhattan dated August 2, 2001.

Respectfully submitted,

**FRANCIS & MAILMAN, P.C.**

BY:

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JAMES A. FRANCIS, ESQUIRE  
MARK D. MAILMAN, ESQUIRE  
JOHN SOUMILAS, ESQUIRE  
Land Title Building, 19<sup>th</sup> Floor  
100 South Broad Street  
Philadelphia, PA 19110  
(215) 735-8600

Dated: June 11, 2003